

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1752

ANSWERED ON:28.11.2002

PROFITS OF ONGC

NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government are aware about observations made by Comptroller and Auditor General of India on profits earned by Oil and Natural Gas Corporation Limited during 2001-2002;

(b) if so, whether excess profits have been shown in annual report by the said company; and

(c) if so, the amount shown as excess profit in the report and the methods adopted in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLUUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS
PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): Comptroller & Auditor General (C&AG) has not yet communicated any Audit report incorporating, inter-alia, observations on profit earned by Oil & Natural Gas Corporation Ltd. (ONGC) during 2001-02.

However, ONGC has informed that the financial results for the year ended 31st March, 2002 after audit by Joint Statutory Auditors, appointed by C&AG, and after approval by ONGC Board were submitted to C&AG for review and comments. In its comments thereon, C&AG had made observations regarding overstatement of profit by ONGC to an extent of Rs. 112.3 crore. However, ONGC in its reply given to C&AG has categorically mentioned that there was no incidence of overstatement of profit in ONGC financial results for the period ended 31st March, 2002.